



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB2687

Introduced 2/24/2009, by Rep. David R. Leitch

SYNOPSIS AS INTRODUCED:

215 ILCS 5/143.11

from Ch. 73, par. 755.11

Amends the Illinois Insurance Code to provide that if an insurer's cancellation provision provides that the insured may cancel the policy by the nonpayment of premium, then the insured may give written notification of cancellation of a group health insurance policy up to the last day of the policy year or the policy may lapse for nonpayment of premium. Provides that if any benefits are paid with a date of service after the preceding policy lapse date, then the responsibility to pay shall be by the succeeding carrier, the employer, or by a combination of the parties pursuant to the terms of the new policy in force.

LRB096 11032 RPM 21333 b

1 AN ACT concerning insurance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by
5 changing Section 143.11 as follows:

6 (215 ILCS 5/143.11) (from Ch. 73, par. 755.11)

7 Sec. 143.11. Cancellation Provisions. All companies
8 authorized to transact in this State the kinds of business
9 enumerated in Section 4 of the "Illinois Insurance Code" shall
10 include in their policies, except life, accident and health,
11 fidelity and surety, and ocean marine policies, a cancellation
12 provision setting out the manner in which such policies may be
13 cancelled. If the cancellation provision provides that the
14 insured may cancel the policy by the nonpayment of premium,
15 then the insured may give written notification of cancellation
16 of a group health insurance policy up to the last day of the
17 policy year or the policy may lapse for nonpayment of premium.
18 If any benefits are paid with a date of service after the
19 preceding policy lapse date, then the responsibility to pay
20 shall be by the succeeding carrier, the employer, or by a
21 combination of the parties pursuant to the terms of the new
22 policy in force. However, nothing contained in Section 143.12
23 through Section 143.24 shall apply to contracts of reinsurance

1 or to contracts procured by agents under the authority of
2 Section 445.

3 (Source: P.A. 80-1365.)